

**R. J. REYNOLDS TOBACCO COMPANY
RETAIL PARTNERS MARKETING PLAN CONTRACT
NON-SELF-SERVICE CARTON OUTLET
MEETING COMPETITION**

Retailer represents that its outlets meet the following eligibility criteria:

- 51% or more total industry volume sold by the carton and the Cigarette Category represents less than 50% All Commodity Volume (ACV).
- Minimum 70 cartons of RJR brands sold per week.
- Distribution of all RJR brands in all price tiers as required.

MERCHANDISING/PRESENCE ELEMENT REQUIREMENTS

- **Self-Service Package Merchandiser(s)**
 - Loose pack merchandiser(s) for all brands available for sale.
 - RJR supplied package merchandiser, with promotional/display area as requested by RJR, and areas designated for RJR advertising. RJR space, not including display space, will be equal to RJR Share of Market, not less than 25%. RJR brands will be positioned beginning on the top shelf of the merchandiser(s) and continued on lower shelves in a contiguous manner, until space requirement is satisfied. If merchandiser is exclusive RJR, space for RJR brands must also be maintained on all other industry package merchandiser with space allocated equal to RJR Share of Market.
 - OR**
 - On competitive supplied package merchandiser(s) RJR brands will be positioned contiguously in the secondary company position, as approved by the RJR representative, with space allocated equal to RJR Share of Market, not less than 25%.
 - If an RJR package merchandiser is not utilized, RJR must have the ability to promote utilizing a promotional display vehicle as approved by the RJR Representative.
- **Non-Self-Service Carton Merchandiser(s) - (Competitive or Retailer supplied fixtures only)**
 - Merchandiser will be adequate in size to satisfy retail sales of all brands sold.
 - Space for RJR brands will be equal to RJR Share of Market, not less than 25%. Space requirement will be determined based on 5-carton high rows.
 - Location for RJR brands will begin in a secondary company position and continue in a contiguous manner until space requirements are satisfied.
- **Other**

RJR reserves the right for final approval of display/advertising types, sizes and locations. Displays, fixtures, and free standing signage will be lit as designated by RJR.

ADDITIONAL MERCHANDISING/PRESENCE REQUIREMENTS

- Retailer further agrees to:
 - Provide promotional assistance as requested by RJR.
 - Display RJR "Lowest" brands, if applicable
 - Provide RJR accurate volume information
 - Authorize primary and other suppliers to release brand style volume information to RJR.
 - Provide RJR share of space equal to RJR Share of Market on other carton merchandisers, if applicable. Minimum acceptable space as determined by an RJR Representative.
 - Ensure adequate quantity of RJR brands are maintained to minimize out of stock, including brands designated for display.
 - Accept new RJR brand styles, as requested.
 - Permit RJR to make reasonable audits of performance and to inspect and rotate RJR products.
- RJR option for exclusive promotion period.
- Permanent RJR advertising will be affixed to RJR displays/merchandisers utilized under this agreement. Retailer will not permit additional advertising of any kind, including that relating to retailers own products, to be affixed to or interfere with RJR displays.
- Changes in agreed location of displays/advertising, or effectiveness of location will result termination of this agreement.
- Restricting RJR's ability to display, promote or distribute RJR brands or the ability to compete equally with other tobacco companies in all areas at retail, will result in termination of the agreement.
- RJR reserves the right to modify or terminate this agreement after notice to retailer. In the event of failure of performance by the retailer, this contract may be terminated by RJR forthwith and without notice.

MERCHANDISING/PRESENCE PAYMENT

RJR volume will be determined by the average weekly sales of all RJR brands during the most recent 3-month period.

RJR will pay eligible retailer \$_____ per month, for performance of all requirements under this agreement.

R. J. Reynolds Tobacco Company will make payments by check as soon as practicable after the end of each calendar quarter. Payments will be made for eligible stores rendering full performance during a quarter, and on a pro rata basis for stores rendering performance for less than one full quarter, but more than one calendar month. Retailer will not deduct amounts due under contract from invoices due RJR.

RETAIL ACCRUAL PROGRAM ELEMENTS

- Retailers must sell at least 80+ cartons of RJR brands per week to receive Retail Accrual.
- Qualifying Merchandising/Presence elements of RJR's Retail Partners Marketing Plan.
- All requirements/criteria stated in Merchandising/Presence section are applicable to Retail Accrual program.

Program Options

- Option 1: RJR Retail Accrual - monthly accrual based on Level 1 RJR volume grid.
- Option 2: RJR Retail Accrual with Retailer/RJR Match - monthly accrual with additional Retailer/RJR Match funds based on Level 1 RJR volume grid.

RETAIL ACCRUAL PROGRAM OPTION REQUIREMENTS

OPTION 1

- Accrual process will begin on contract signing date if prior to the 15th day of the month. Sign up after the 15th day of the month will start accrual the following month.
- Retail Accrual funds are to be utilized to promote selected RJR Full Price and Savings Brands as designated by an RJR Representative.
- All promotions require approval by RJR prior to implementation.
- Retailer reimbursement will occur as soon as practicable following successful completion of the subject pre-approved RJR Retail Accrual promotion.
- RJR Promotion Dollar Liability is limited to the allocated dollar amount of Retail Accrual as designated by RJR.
- Retail Accrual funds will be accrued by the month. Funds accrued during one calendar quarter are available for use immediately.
- Unused funds may be carried over to the subsequent quarter with prior approval by RJR.
- Funds not utilized for the designated year may not be carried over to the subsequent year.

OPTION 2

- All requirements/benefits stated in Option 1 are applicable to Option 2.
- Retailer must provide matching funds in an amount equal to 50% of Option 1 rate. Retailer match dollars are utilized in the same manner as Option 1 funds and are payable not later than individual promotion completion.
- RJR will provide additional funds in an amount equal to Retailer Match monies. RJR Match monies will be accrued on a monthly basis and are available for use on the same basis as the Option 1 funds.

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**R. J. REYNOLDS TOBACCO COMPANY
RETAIL PARTNERS MARKETING PLAN CONTRACT
NON-SELF-SERVICE CARTON OUTLET
MEETING COMPETITION**

ADDITIONAL RETAIL ACCRUAL REQUIREMENTS

- Display size, quantity, promotional timeframe, and promotional type will be approved by an RJR Representative.
- Promotional advertising associated with RJR Brands will be affixed to, or above each display, as approved by an RJR Representative.
- Retailer will not permit advertising of any kind, including that relating to retailers own products, to be affixed to RJR displays (temporary and/or permanent) without prior consent of RJR.
- Retailer agrees to maintain RJR displays and signage (temporary and/or permanent) in an unobstructed manner, in the location agreed upon by an RJR Representative. Changes in location of displays, or effectiveness of display location, will terminate this agreement.
- Should retailer be permanently disqualified under RJR's Retail Partners Merchandising/Presence programs, participation in the Retail Accrual program and all other RJR Promotional programs will be terminated.

Request for Taxpayer Identification Number and Certification

R. J. Reynolds Tobacco Company must backup withhold tax at the rate of 31% from payee if the payee fails to provide R. J. Reynolds Tobacco Company with sufficient correct information to issue a Form 1099 to such payee for any calendar year. With an individual proprietorship, this information is the person's individual name and either his/her social security number (S.S. No.) or the employer identification number (EIN) for the proprietorship. In addition to the payee's individual name, the payee may also provide the business name for the sole proprietorship, provided the individual name is listed before the business name. (Sole proprietors may not furnish only the business name.) With respect to corporations, partnerships, estates, trusts, and similar entities, the necessary information is the entity's name and employer identification number (EIN) as it appears on IRS Form 575 (Assignment of Employer Identification Number).

Type of Organization: Corporation , Sole Proprietor , Partnership, Estate, Trust, etc.

Is this a corporation exempt from backup withholding? Yes No

Please use the appropriate line to fill in the name and Taxpayer Identification Number:

Corporation Name

EIN

or Sole Proprietor's Name

S.S. No.

Sole Proprietor's Business Name

EIN

or Partnership, Estate, Trust, etc.

EIN

Address (Number, street, and apt. or suite number)

Address (City, state, and ZIP code)

Certification:

Under penalties of perjury, I certify that:

1. The number shown above is my correct taxpayer identification number (or I am waiting for a number to be issued to me) and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.

Certification Instructions: You must cross out Item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest on your tax return.

Store Name (Please Print) RJR Account No.

Street Address RJR Territory No.

City/State Zip Code

Call Classification Branch (If Chain)

Type	# Stores	Monthly Payment	Total Quarterly Dollar Amount
			\$
			\$
			\$
TOTAL			\$

Date Contract Signed

Retailer's Signature

Title:

Contract Effective Date

R. J. REYNOLDS TOBACCO COMPANY

By:

51843 1399

FUNCTION	CONTRACT TYPE	PLAN	UNITS	RATE	EFFECTIVE MO/YR
FUNCTION	<input type="text"/>				
A=ADD	<input type="text"/>				
E=END	<input type="text"/>				
D=DELETE	<input type="text"/>				
C=CHANGE	<input type="text"/>				

**R. J. REYNOLDS TOBACCO COMPANY
RETAIL PARTNERS MARKETING PLAN CONTRACT
NON-SELF-SERVICE CARTON OUTLET
LEVEL 2**

R. J. Reynolds Tobacco Company (RJR) is pleased to announce the following Retail Partners program, effective January 1, 1997, for all retail stores that meet the following criteria:

- 51% or more total industry volume sold by the carton and the Cigarette Category represents less than 50% All Commodity Volume (ACV).
- Minimum 80 cartons of RJR brands sold per week.
- Distribution of all RJR brands in all price tiers as required.

Retailers not meeting the above requirements should discuss alternatives with an RJR representative.

MERCHANDISING/PRESENCE PROGRAM ELEMENTS

- **RJR Self-Service Package Merchandiser(s), including applicable signage.**
- **RJR (or approved) Non-Self-Service Carton Merchandiser, including applicable canopy signage.**

MERCHANDISING/PRESENCE ELEMENT REQUIREMENTS

- **RJR Self-Service Package Merchandiser(s)**
 - Loose pack merchandiser(s) for all brands available for sale, or RJR brands exclusively. Merchandiser(s) must include promotion/display area as requested by RJR, and areas designated for RJR advertising. If merchandiser is exclusive RJR, space for RJR brands must also be maintained on Industry merchandiser.
 - Merchandiser(s) will be located adjacent to an active checklane, as approved by an RJR representative.
 - Merchandiser(s) will be adequate in size to satisfy retailer sales of RJR and/or all Industry brands.
 - RJR space on merchandiser(s), not including display space, will be equal to RJR's Share of Market, not less than 25%. Location of RJR brands will begin on top shelf of merchandiser(s) and continue on lower shelves in a contiguous manner, until space requirement is satisfied.
- **RJR (or approved) Non-Self-Service Carton Merchandiser with canopy signage**
 - Merchandiser will be adequate in size to satisfy retailer sales of all brands sold, as approved by an RJR representative.
 - Space for RJR brands will be equal to RJR Share of Market (minimum acceptable space as determined by RJR). Space requirement will be determined based on 7-high rows for top shelf and 6-high rows for all other shelves.
 - Location for RJR brands will begin on top shelf of merchandiser and continue on lower shelves in a contiguous manner, until space requirement is satisfied.
 - Merchandisers and canopy will include areas designated for RJR advertising.
 - Merchandiser must have designated sections for Full Price and Savings Brands.
- **Other**

RJR reserves the right for final approval of display/advertising types, sizes and locations. Displays, fixtures, and free standing signage will be lit as designated by RJR.

ADDITIONAL MERCHANDISING/PRESENCE REQUIREMENTS

- Retailer further agrees to:
 - Provide promotional assistance as requested by RJR.
 - Display RJR "Lowest" brands, if applicable
 - Provide RJR accurate volume information
 - Authorize primary and other suppliers to release brand style volume information to RJR.
 - Provide RJR share of available signage equal to RJR Share of Market.
 - Provide RJR share of space equal to RJR share of market on carton merchandisers, if applicable. Minimum acceptable space as determined by an RJR Representative.
 - Ensure adequate quantity of RJR brands are maintained to minimize out of stock, including brands designated for display.
 - Accept new RJR brand styles, as requested.
 - Permit RJR to make reasonable audits of performance and to inspect and rotate RJR products.
- Permanent RJR advertising will be affixed to RJR displays/merchandisers utilized under this agreement. Retailer will not permit additional advertising of any kind, including that relating to retailers own products, to be affixed to or above RJR merchandiser(s) utilized under this agreement.
- Changes in agreed location of displays/advertising, or effectiveness of location will result termination of this agreement.
- Restricting RJR's ability to display, promote or distribute RJR brands or the ability to compete equally with other tobacco companies in all areas at retail, will result in termination of the agreement.
- RJR reserves the right to modify or terminate this agreement after notice to retailer. In the event of failure of performance by the retailer, this contract may be terminated by RJR forthwith and without notice.

MERCHANDISING/PRESENCE PAYMENT

RJR volume will be determined by the average weekly sales of all RJR brands during the most recent 3-month period.

RJR will pay qualifying retailer \$ _____ per month, for performance of all requirements under this agreement.

R. J. Reynolds Tobacco Company will make payments by check as soon as practicable after the end of each calendar quarter. Payments will be made for stores rendering full performance during a quarter, and on a pro rata basis for stores rendering performance for less than one full quarter, but more than one calendar month. Retailer will not deduct amounts due under contract from invoices due RJR.

RETAIL ACCRUAL PROGRAM ELEMENTS

- Qualifying Merchandising/Presence elements of RJR's Retail Partners Marketing Plan.
- All requirements/criteria stated in Merchandising/Presence section are applicable to Retail Accrual program.

Program Options

Option 1: RJR Retail Accrual - monthly accrual based on RJR volume grid.

Option 2: RJR Retail Accrual with Retailer/RJR Match - monthly accrual with additional Retailer/RJR Match funds based on RJR volume grid.

RETAIL ACCRUAL PROGRAM OPTION REQUIREMENTS

OPTION 1

- Accrual process will begin on contract signing date if prior to the 15th day of the month. Sign up after the 15th day of the month will start accrual the following month.
- Retail Accrual funds are to be utilized to promote selected RJR Full Price and Savings Brands as designated by an RJR Representative.
- All promotions require approval by RJR prior to implementation.
- Retailer reimbursement will occur as soon as practicable following successful completion of the subject pre-approved RJR Retail Accrual promotion.
- RJR Promotion Dollar Liability is limited to the allocated dollar amount of Retail Accrual as designated by RJR.
- Retail Accrual funds will be accrued by the month. Funds accrued during one calendar quarter are available for use immediately.
- Unused funds may be carried over to the subsequent quarter with prior approval by RJR.
- Funds not utilized for the designated year may not be carried over to the subsequent year.

OPTION 2

- All requirements/benefits stated in Option 1 are applicable to Option 2.
- Retailer must provide matching funds in an amount equal to 50% of Option 1 rate. Retailer match dollars are utilized in the same manner as Option 1 funds and are payable not later than individual promotion completion.
- RJR will provide additional funds in an amount equal to Retailer Match monies. RJR Match monies will be accrued on a monthly basis and are available for use on the same basis as the Option 1 funds.

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**R. J. REYNOLDS TOBACCO COMPANY
RETAIL PARTNERS MARKETING PLAN CONTRACT
NON-SELF-SERVICE CARTON OUTLET
LEVEL 2**

ADDITIONAL RETAIL ACCRUAL REQUIREMENTS

- Display size, quantity, promotional timeframe, and promotional type will be approved by an RJR Representative.
- Promotional advertising associated with RJR Brands will be affixed to, or above each display, as approved by an RJR Representative.
- Retailer will not permit advertising of any kind, including that relating to retailers own products, to be affixed to RJR displays (temporary and/or permanent) without prior consent of RJR.
- Retailer agrees to maintain RJR displays and signage (temporary and/or permanent) in an unobstructed manner, in the location agreed upon by an RJR Representative. Changes in location of displays, or effectiveness of display location, will terminate this agreement.
- Should retailer be permanently disqualified under RJR's Retail Partners Merchandising/Presence programs, participation in the Retail Accrual program and all other RJR Promotional programs will be terminated.

Request for Taxpayer Identification Number and Certification

R. J. Reynolds Tobacco Company must backup withhold tax at the rate of 31% from payee if the payee fails to provide R. J. Reynolds Tobacco Company with sufficient correct information to issue a Form 1099 to such payee for any calendar year. With an individual proprietorship, this information is the person's individual name and either his/her social security number (S.S. No.) or the employer identification number (EIN) for the proprietorship. In addition to the payee's individual name, the payee may also provide the business name for the sole proprietorship, provided the individual name is listed before the business name. (Sole proprietors may not furnish only the business name.) With respect to corporations, partnerships, estates, trusts, and similar entities, the necessary information is the entity's name and employer identification number (EIN) as it appears on IRS Form 575 (Assignment of Employer Identification Number).

Type of Organization: Corporation _____ Sole Proprietor _____ Partnership, Estate, Trust, etc. _____

Is this a corporation exempt from backup withholding? Yes _____ No _____

Please use the appropriate line to fill in the name and Taxpayer Identification Number:

Corporation Name _____
or
Sole Proprietor's Name _____

EIN _____

S.S. No. _____

Sole Proprietor's Business Name _____
or
Partnership, Estate, Trust, etc. _____

EIN _____

EIN _____

Address (Number, street, and apt. or suite number)

Address (City, state, and ZIP code)

Certification:

Under penalties of perjury, I certify that:

1. The number shown above is my correct taxpayer identification number (or I am waiting for a number to be issued to me) and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding; or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends; or (c) the IRS has notified me that I am no longer subject to backup withholding.

Certification Instructions: You must cross out Item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest on your tax return.

Store Name (Please Print) _____

RJR Account No. _____

Street Address _____

RJR Territory No. _____

City/State _____

Zip Code _____

Call Classification _____

Branch (If Chain) _____

Type	# Stores	Monthly Payment	Total Quarterly Dollar Amount
			\$
			\$
			\$
TOTAL			

Date Contract Signed _____

Retailer's Signature _____

Title: _____

Contract Effective Date _____

R. J. REYNOLDS TOBACCO COMPANY

By: _____

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FUNCTION	CONTRACT TYPE	PLAN	UNITS	RATE	EFFECTIVE MO/YR
FUNCTION					
A=ADD					
E=END					
D=DELETE					
C=CHANGE					

**R. J. REYNOLDS TOBACCO COMPANY
RETAIL PARTNERS MARKETING PLAN CONTRACT
TOTAL NON-SELF-SERVICE CARTON OUTLET**

R. J. Reynolds Tobacco Company (RJR) is pleased to announce the following Retail Partners program, effective January 1, 1997, for all retail stores that meet the following criteria:

- 51% or more total industry volume sold by the carton and the Cigarette Category represents less than 50% All Commodity Volume (ACV).
- Minimum 80 cartons of RJR brands sold per week.
- Merchandise all cartons and packs in a non self-service or limited self-service manner.
- Distribution of all RJR brands in all price tiers as required.

Retailers not meeting the above requirements should discuss alternatives with an RJR representative.

MERCHANDISING/PRESENCE PROGRAM ELEMENTS

- RJR (or approved) Package Merchandiser(s), including applicable signage.
- RJR (or approved) Non-Self-Service Carton Merchandiser, including applicable canopy signage.

MERCHANDISING/PRESENCE ELEMENT REQUIREMENTS

- **RJR (or approved) Package Merchandiser(s)**
 - Loose pack merchandiser(s) for all brands available for sale. Merchandiser(s) must include promotion/display area as requested by RJR, and areas designated for RJR advertising.
 - Merchandiser(s) will be adequate in size to satisfy retailer sales of RJR and/or all industry brands.
 - RJR space on merchandiser(s), not including display space, will be equal to RJR's Share of Market, not less than 25%. Location of RJR brands will begin on top shelf of merchandiser(s) and continue on lower shelves in a contiguous manner, until space requirement is satisfied.
- **RJR (or approved) Carton Merchandiser with canopy signage**
 - Merchandiser will be adequate in size to satisfy retailer sales of all brands sold, as approved by an RJR representative.
 - Space for RJR brands will be equal to RJR Share of Market (minimum acceptable space as determined by RJR). Space requirement will be determined based on 7-high rows for top shelf and 5-high rows for all other shelves.
 - Location for RJR brands will begin on top shelf of merchandiser and continue on lower shelves in a contiguous manner, until space requirement is satisfied.
 - Merchandisers and canopy will include areas designated for RJR advertising.
 - Merchandiser must have designated sections for Full Price and Savings Brands.
- **Other**

RJR reserves the right for final approval of display/advertising types, sizes and locations. Displays, fixtures, and free standing signage will be fit as designated by RJR.

ADDITIONAL MERCHANDISING/PRESENCE REQUIREMENTS

- If additional cigarette displays, either temporary or permanent, are permitted, RJR will have the option to place a similar display and not be disadvantaged.
- Retailer further agrees to:
 - Provide RJR accurate volume information
 - Authorize primary and other suppliers to release brand style volume information to RJR.
 - Provide RJR share of available signage equal to RJR Share of Market.
 - Provide RJR share of space equal to RJR share of market on carton merchandisers, if applicable. Minimum acceptable space as determined by an RJR Representative.
 - Ensure adequate quantity of RJR brands are maintained to minimize out of stock, including brands designated for display.
 - Accept new RJR brand styles, as requested.
 - Permit RJR to make reasonable audits of performance and to inspect and rotate RJR products.
- Permanent RJR advertising will be affixed to RJR displays/merchandisers utilized under this agreement. Retailer will not permit additional advertising of any kind, including that relating to retailers own products, to be affixed to or above RJR merchandiser(s) utilized under this agreement.
- Changes in agreed location of displays/advertising, or effectiveness of location will result termination of this agreement.
- Restricting RJR's ability to display, promote or distribute RJR brands or the ability to compete equally with other tobacco companies in all areas at retail, will result in termination of the agreement.
- RJR reserves the right to modify or terminate this agreement after notice to retailer. In the event of failure of performance by the retailer, this contract may be terminated by RJR forthwith and without notice.

MERCHANDISING/PRESENCE PAYMENT

RJR volume will be determined by the average weekly sales of all RJR brands during the most recent 3-month period.

RJR will pay qualifying retailer \$ _____ per month, for performance of all requirements under this agreement.

R. J. Reynolds Tobacco Company will make payments by check as soon as practicable after the end of each calendar quarter. Payments will be made for stores rendering full performance during a quarter, and on a pro rata basis for stores rendering performance for less than one full quarter, but more than one calendar month. Retailer will not deduct amounts due under contract from invoices due RJR.

RETAIL ACCRUAL PROGRAM ELEMENTS

- Qualifying Merchandising/Presence elements of RJR's Retail Partners Marketing Plan.
- All requirements/criteria stated in Merchandising/Presence section are applicable to Retail Accrual program.

Program Options

Option 1: RJR Retail Accrual - monthly accrual based on RJR volume grid.

Option 2: RJR Retail Accrual with Retailer/RJR Match - monthly accrual with additional Retailer/RJR Match funds based on RJR volume grid.

RETAIL ACCRUAL PROGRAM OPTION REQUIREMENTS

OPTION 1

- Accrual process will begin on contract signing date if prior to the 15th day of the month. Sign up after the 15th day of the month will start accrual the following month.
- Retail Accrual funds are to be utilized to promote selected RJR Full Price and Savings Brands as designated by an RJR Representative.
- All promotions require approval by RJR prior to implementation.
- Provide promotional assistance as requested by RJR.
 - Display RJR "Lowest" brands, if applicable. Retailer reimbursement will occur as soon as practicable following successful completion of the subject pre-approved RJR Retail Accrual promotion.
- RJR Promotion Dollar Liability is limited to the allocated dollar amount of Retail Accrual as designated by RJR.
- Retail Accrual funds will be accrued by the month. Funds accrued during one calendar quarter are available for use immediately.
- Unused funds may be carried over to the subsequent quarter with prior approval by RJR.
- Funds not utilized for the designated year may not be carried over to the subsequent year.

OPTION 2

- All requirements/benefits stated in Option 1 are applicable to Option 2.
- Retailer must provide matching funds in an amount equal to 50% of Option 1 rate. Retailer match dollars are utilized in the same manner as Option 1 funds and are payable no later than individual promotion completion.
- RJR will provide additional funds in an amount equal to Retailer Match monies. RJR Match monies will be accrued on a monthly basis and are available for use on the same basis as the Option 1 funds.

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**R. J. REYNOLDS TOBACCO COMPANY
RETAIL PARTNERS MARKETING PLAN CONTRACT
TOTAL NON-SELF-SERVICE CARTON OUTLET**

ADDITIONAL RETAIL ACCRUAL REQUIREMENTS

- Display size, quantity, promotional timeframe, and promotional type will be approved by an RJR Representative.
- Promotional advertising associated with RJR Brands will be affixed to, or above each display, as approved by an RJR Representative.
- Retailer will not permit advertising of any kind, including that relating to retailers own products, to be affixed to RJR displays (temporary and/or permanent) without prior consent of RJR.
- Retailer agrees to maintain RJR displays and signage (temporary and/or permanent) in an unobstructed manner, in the location agreed upon by an RJR Representative. Changes in location of displays, or effectiveness of display location, will terminate this agreement.
- Should retailer be permanently disqualified under RJR's Retail Partners Merchandising/Presence programs, participation in the Retail Accrual program and all other RJR Promotional programs will be terminated.

Request for Taxpayer Identification Number and Certification

R. J. Reynolds Tobacco Company must backup withhold tax at the rate of 31% from payee if the payee fails to provide R. J. Reynolds Tobacco Company with sufficient correct information to issue a Form 1099 to such payee for any calendar year. With an individual proprietorship, the information is the person's individual name and either his/her social security number (S.S. No.) or the employer identification number (EIN) for the proprietorship. In addition to the payee's individual name, the payee may also provide the business name for the sole proprietorship, provided the individual name is listed before the business name. (Sole proprietors may not furnish only the business name.) With respect to corporations, partnerships, estates, trusts, and similar entities, the necessary information is the entity's name and employer identification number (EIN) as it appears on IRS Form 575 (Assignment of Employer Identification Number).

Type of Organization: Corporation _____ Sole Proprietor _____ Partnership, Estate, Trust, etc. _____

Is this a corporation exempt from backup withholding? Yes _____ No _____

Please use the appropriate line to fill in the name and Taxpayer Identification Number:

Corporation Name _____ EIN _____
or
Sole Proprietor's Name _____ S.S. No. _____

Sole Proprietor's Business Name _____ EIN _____
or
Partnership, Estate, Trust, etc. _____ EIN _____

Address (Number, street, and apt. or suite number)

Address (City, state, and ZIP code)

Certification:

Under penalties of perjury, I certify that:

1. The number shown above is my correct taxpayer identification number (or I am waiting for a number to be issued to me) and
 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.
- Certification Instructions: You must cross out Item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest on your tax return.

Store Name (Please Print) _____ RJR Account No. _____

Street Address _____ RJR Territory No. _____

City/State _____ Zip Code _____

Call Classification _____ Branch (If Chain) _____

Type	Stores	Monthly Payment	Total Quarterly Dollar Amount
			\$
			\$
			\$
TOTAL			

Date Contract Signed _____ Retailer's Signature _____

Title: _____

Contract Effective Date _____ R. J. REYNOLDS TOBACCO COMPANY

By: _____

51843 1403

FUNCTION	CONTRACT TYPE	PLAN	UNITS	RATE	EFFECTIVE MO/YR
FUNCTION					
A=ADD					
E=END					
D=DELETE					
C=CHANGE					

**R. J. REYNOLDS TOBACCO COMPANY
RETAIL PARTNERS MARKETING PLAN CONTRACT
SELF-SERVICE CARTON OUTLET
MEETING COMPETITION**

Retailer represents that its outlets meet the following eligibility criteria:

- 51% or more total industry volume sold by the carton and the Cigarette Category represents less than 50% All Commodity Volume (ACV).
- Minimum 70 cartons of RJR brands sold per week.
- Distribution of all RJR brands in all price tiers as required.

MERCHANDISING/PRESENCE ELEMENT REQUIREMENTS

- **Self-Service Package Merchandiser(s)**
 - Loose pack merchandiser(s) for all brands available for sale.
RJR supplied package merchandiser, with promotional/display area as requested by RJR, and areas designated for RJR advertising. RJR space, not including display space, will be equal to RJR Share of Market, not less than 25%. RJR brands will be positioned beginning on the top shelf of the merchandiser(s) and continued on lower shelves in a contiguous manner, until space requirement is satisfied. If merchandiser is exclusive RJR, space for RJR brands must also be maintained on all other industry package merchandiser with space allocated equal to RJR Share of Market.
OR
 - On competitive supplied package merchandiser(s) RJR brands will be positioned contiguously in the secondary company position, as approved by the RJR representative, with space allocated equal to RJR Share of Market, not less than 25%.
 - If an RJR package merchandiser is not utilized, RJR must have the ability to promote utilizing a promotional display vehicle as approved by the RJR Representative.
- **Self-Service Carton Merchandiser(s) – (Competitive or Retailer supplied fixtures only)**
 - Merchandiser will be adequate in size to satisfy retail sales of all brands sold.
 - Space for RJR brands will be equal to RJR Share of Market, not less than 25%. Space requirement will be determined based on 5-carton high rows.
 - Location for RJR brands will begin in a secondary company position and continue in a contiguous manner until space requirements are satisfied.
- **Other**

RJR reserves the right for final approval of display/advertising types, sizes and locations. Displays, fixtures, and free standing signage will be lit as designated by RJR.

ADDITIONAL MERCHANDISING/PRESENCE REQUIREMENTS

- Retailer further agrees to:
 - Provide promotional assistance as requested by RJR.
 - Display RJR 'Lowest' brands, if applicable
 - Provide RJR accurate volume information
 - Authorize primary and other suppliers to release brand style volume information to RJR.
 - Provide RJR share of space equal to RJR Share of Market on other carton merchandisers, if applicable. Minimum acceptable space as determined by an RJR Representative.
 - Ensure adequate quantity of RJR brands are maintained to minimize out of stock, including brands designated for display.
 - Accept new RJR brand styles, as requested.
 - Permit RJR to make reasonable audits of performance and to inspect and rotate RJR products.
- RJR option for exclusive promotion period.
- Permanent RJR advertising will be affixed to RJR displays/merchandisers utilized under this agreement. Retailer will not permit additional advertising of any kind, including that relating to retailers own products, to be affixed to or interfere with RJR displays.
- Changes in agreed location of displays/advertising, or effectiveness of location will result termination of this agreement.
- Restricting RJR's ability to display, promote or distribute RJR brands or the ability to compete equally with other tobacco companies in all areas at retail, will result in termination of the agreement.
- RJR reserves the right to modify or terminate this agreement after notice to retailer. In the event of failure of performance by the retailer, this contract may be terminated by RJR forthwith and without notice.

MERCHANDISING/PRESENCE PAYMENT

RJR volume will be determined by the average weekly sales of all RJR brands during the most recent 3-month period.

RJR will pay eligible retailer \$ _____ per month, for performance of all requirements under this agreement.

R. J. Reynolds Tobacco Company will make payments by check as soon as practicable after the end of each calendar quarter. Payments will be made for eligible stores rendering full performance during a quarter, and on a pro rata basis for stores rendering performance for less than one full quarter, but more than one calendar month. Retailer will not deduct amounts due under contract from invoices due RJR.

RETAIL ACCRUAL PROGRAM ELEMENTS

- Retailers must sell at least 80+ cartons of RJR brands per week to receive Retail Accrual.
- Qualifying Merchandising/Presence elements of RJR's Retail Partners Marketing Plan.
- All requirements/criteria stated in Merchandising/Presence section are applicable to Retail Accrual program.

Program Options

Option 1: RJR Retail Accrual - monthly accrual based on Level 1 RJR volume grid.

Option 2: RJR Retail Accrual with Retailer/RJR Match - monthly accrual with additional Retailer/RJR Match funds based on Level 1 RJR volume grid.

RETAIL ACCRUAL PROGRAM OPTION REQUIREMENTS

OPTION 1

- Accrual process will begin on contract signing date if prior to the 15th day of the month. Sign up after the 15th day of the month will start accrual the following month.
- Retail Accrual funds are to be utilized to promote selected RJR Full Price and Savings Brands as designated by an RJR Representative.
- All promotions require approval by RJR prior to implementation.
- Retailer reimbursement will occur as soon as practicable following successful completion of the subject pre-approved RJR Retail Accrual promotion.
- RJR Promotion Dollar Liability is limited to the allocated dollar amount of Retail Accrual as designated by RJR.
- Retail Accrual funds will be accrued by the month. Funds accrued during one calendar quarter are available for use immediately.
- Unused funds may be carried over to the subsequent quarter with prior approval by RJR.
- Funds not utilized for the designated year may not be carried over to the subsequent year.

OPTION 2

- All requirements/benefits stated in Option 1 are applicable to Option 2.
- Retailer must provide matching funds in an amount equal to 50% of Option 1 rate. Retailer match dollars are utilized in the same manner as Option 1 funds and are payable not later than individual promotion completion.
- RJR will provide additional funds in an amount equal to Retailer Match monies. RJR Match monies will be accrued on a monthly basis and are available for use on the same basis as the Option 1 funds.

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**R. J. REYNOLDS TOBACCO COMPANY
RETAIL PARTNERS MARKETING PLAN CONTRACT
SELF-SERVICE CARTON OUTLET
MEETING COMPETITION**

ADDITIONAL RETAIL ACCRUAL REQUIREMENTS

- Display size, quantity, promotional timeframe, and promotional type will be approved by an RJR Representative.
- Promotional advertising associated with RJR Brands will be affixed to, or above each display, as approved by an RJR Representative.
- Retailer will not permit advertising of any kind, including that relating to retailers own products, to be affixed to RJR displays (temporary and/or permanent) without prior consent of RJR.
- Retailer agrees to maintain RJR displays and signage (temporary and/or permanent) in an unobstructed manner, in the location agreed upon by an RJR Representative. Changes in location of displays, or effectiveness of display location, will terminate this agreement.
- Should retailer be permanently disqualified under RJR's Retail Partners Merchandising/Presence programs, participation in the Retail Accrual program and all other RJR Promotional programs will be terminated.

Request for Taxpayer Identification Number and Certification

R. J. Reynolds Tobacco Company must backup withhold tax at the rate of 31% from payee if the payee fails to provide R. J. Reynolds Tobacco Company with sufficient correct information to issue a Form 1099 to such payee for any calendar year. With an individual proprietorship, this information is the person's individual name and either his/her social security number (S.S. No.) or the employer identification number (EIN) for the proprietorship. In addition to the payee's individual name, the payee may also provide the business name for the sole proprietorship, provided the individual name is listed before the business name. (Sole proprietors may not furnish only the business name.) With respect to corporations, partnerships, estates, trusts, and similar entities, the necessary information is the entity's name and employer identification number (EIN) as it appears on IRS Form 575 (Assignment of Employer Identification Number).

Type of Organization: Corporation _____ Sole Proprietor _____ Partnership, Estate, Trust, etc. _____

Is this a corporation exempt from backup withholding? Yes _____ No _____

Please use the appropriate line to fill in the name and Taxpayer Identification Number:

Corporation Name _____

EIN _____

or
Sole Proprietor's Name _____

S.S. No. _____

Sole Proprietor's Business Name _____

EIN _____

or
Partnership, Estate, Trust, etc. _____

EIN _____

Address (Number, street, and apt. or suite number)

Address (City, state, and ZIP code)

Certification:

Under penalties of perjury, I certify that:

- 1 The number shown above is my correct Taxpayer Identification number (or I am waiting for a number to be issued to me) and
- 2 I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.

Certification Instructions: You must cross out Item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest on your tax return.

Store Name (Please Print) _____

RJR Account No. _____

Street Address _____

RJR Territory No. _____

City/State _____

Zip Code _____

Call Classification _____

Branch (If Chain) _____

Type	# Stores	Monthly Payment	Total Quarterly Dollar Amount
			\$
			\$
			\$
TOTAL			_____

Date Contract Signed _____

Retailer's Signature _____

Title: _____

Contract Effective Date _____

R. J. REYNOLDS TOBACCO COMPANY

By: _____

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FUNCTION	CONTRACT TYPE	PLAN	UNITS	RATE	EFFECTIVE MO/YR
FUNCTION					
A=ADD					
E=END					
D=DELETE					
C=CHANGE					

**R. J. REYNOLDS TOBACCO COMPANY
RETAIL PARTNERS MARKETING PLAN CONTRACT
SELF-SERVICE CARTON OUTLET
LEVEL 2**

R. J. Reynolds Tobacco Company (RJR) is pleased to announce the following Retail Partners program, effective January 1, 1997, for all retail stores that meet the following criteria:

- 51% or more total industry volume sold by the carton and the Cigarette Category represents less than 50% All Commodity Volume (ACV).
- Minimum 80 cartons of RJR brands sold per week.
- Distribution of all RJR brands in all price tiers as required.

Retailers not meeting the above requirements should discuss alternatives with an RJR representative.

MERCHANDISING/PRESENCE PROGRAM ELEMENTS

- **RJR Self-Service Package Merchandiser(s), including applicable signage.**
- **RJR (or approved) Self-Service Carton Merchandiser, including applicable canopy signage.**

MERCHANDISING/PRESENCE ELEMENT REQUIREMENTS

- **RJR Self-Service Package Merchandiser(s)**
 - Loose pack merchandiser(s) for all brands available for sale, or RJR brands exclusively. Merchandiser(s) must include promotion/display area as requested by RJR, and areas designated for RJR advertising. If merchandiser is exclusive RJR, space for RJR brands must also be maintained on Industry merchandiser.
 - Merchandiser(s) will be located adjacent to an active checklane, as approved by an RJR representative.
 - Merchandiser(s) will be adequate in size to satisfy retailer sales of RJR and/or all industry brands.
 - RJR space on merchandiser(s), not including display space, will be equal to RJR's Share of Market, not less than 25%. Location of RJR brands will begin on top shelf of merchandiser(s) and continue on lower shelves in a contiguous manner, until space requirement is satisfied.
- **RJR (or approved) Self-Service Carton Merchandiser with canopy signage**
 - Merchandiser will be adequate in size to satisfy retailer sales of all brands sold, as approved by an RJR representative.
 - Space for RJR brands will be equal to RJR Share of Market (minimum acceptable space as determined by RJR). Space requirement will be determined based on 7-high rows for top shelf and 5-high rows for all other shelves.
 - Location for RJR brands will begin on top shelf of merchandiser and continue on lower shelves in a contiguous manner, until space requirement is satisfied.
 - RJR merchandisers and canopy will include areas designated for RJR advertising.
 - Merchandiser must have designated sections for Full Price and Savings Brands.
- **Other**

RJR reserves the right for final approval of display/advertising types, sizes and locations. Displays, fixtures, and free standing signage will be lit as designated by RJR.

ADDITIONAL MERCHANDISING/PRESENCE REQUIREMENTS

- Retailer further agrees to:
 - Provide promotional assistance as requested by RJR.
 - Display RJR "Lowest" brands, if applicable
 - Provide RJR accurate volume information
 - Authorize primary and other suppliers to release brand style volume information to RJR.
 - Provide RJR share of available signage equal to RJR Share of Market.
 - Provide RJR share of space equal to RJR share of market on carton merchandisers, if applicable. Minimum acceptable space as determined by an RJR Representative.
 - Ensure adequate quantity of RJR brands are maintained to minimize out of stock, including brands designated for display.
 - Accept new RJR brand styles, as requested.
 - Permit RJR to make reasonable audits of performance and to inspect and rotate RJR products.
- Permanent RJR advertising will be affixed to RJR displays/merchandisers utilized under this agreement. Retailer will not permit additional advertising of any kind, including that relating to retailers own products, to be affixed to or above RJR merchandiser(s) utilized under this agreement.
- Changes in agreed location of displays/advertising, or effectiveness of location will result termination of this agreement.
- Restricting RJR's ability to display, promote or distribute RJR brands or the ability to compete equally with other tobacco companies in all areas at retail, will result in termination of the agreement.
- RJR reserves the right to modify or terminate this agreement after notice to retailer. In the event of failure of performance by the retailer, this contract may be terminated by RJR forthwith and without notice.

MERCHANDISING/PRESENCE PAYMENT

RJR volume will be determined by the average weekly sales of all RJR brands during the most recent 3-month period.

RJR will pay qualifying retailer \$ _____ per month, for performance of all requirements under this agreement.

R. J. Reynolds Tobacco Company will make payments by check as soon as practicable after the end of each calendar quarter. Payments will be made for stores rendering full performance during a quarter, and on a pro rata basis for stores rendering performance for less than one full quarter, but more than one calendar month. Retailer will not deduct amounts due under contract from invoices due RJR.

RETAIL ACCRUAL PROGRAM ELEMENTS

- Qualifying Merchandising/Presence elements of RJR's Retail Partners Marketing Plan.
- All requirements/criteria stated in Merchandising/Presence section are applicable to Retail Accrual program.

Program Options

Option 1: RJR Retail Accrual - monthly accrual based on RJR volume grid.

Option 2: RJR Retail Accrual with Retailer/RJR Match - monthly accrual with additional Retailer/RJR Match funds based on RJR volume grid.

RETAIL ACCRUAL PROGRAM OPTION REQUIREMENTS

OPTION 1

- Accrual process will begin on contract signing date if prior to the 15th day of the month. Sign up after the 15th day of the month will start accrual the following month.
- Retail Accrual funds are to be utilized to promote selected RJR Full Price and Savings Brands as designated by an RJR Representative.
- All promotions require approval by RJR prior to implementation.
- Retailer reimbursement will occur as soon as practicable following successful completion of the subject pre-approved RJR Retail Accrual promotion.
- RJR Promotion Dollar Liability is limited to the allocated dollar amount of Retail Accrual as designated by RJR.
- Retail Accrual funds will be accrued by the month. Funds accrued during one calendar quarter are available for use immediately.
- Unused funds may be carried over to the subsequent quarter with prior approval by RJR.
- Funds not utilized for the designated year may not be carried over to the subsequent year.

OPTION 2

- All requirements/benefits stated in Option 1 are applicable to Option 2.
- Retailer must provide matching funds in an amount equal to 50% of Option 1 rate. Retailer match dollars are utilized in the same manner as Option 1 funds and are payable not later than individual promotion completion.
- RJR will provide additional funds in an amount equal to Retailer Match monies. RJR Match monies will be accrued on a monthly basis and are available for use on the same basis as the Option 1 funds.

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**R. J. REYNOLDS TOBACCO COMPANY
RETAIL PARTNERS MARKETING PLAN CONTRACT
SELF-SERVICE CARTON OUTLET
LEVEL 2**

ADDITIONAL RETAIL ACCRUAL REQUIREMENTS

- Display size, quantity, promotional timeframe, and promotional type will be approved by an RJR Representative.
- Promotional advertising associated with RJR Brands will be affixed to, or above each display, as approved by an RJR Representative.
- Retailer will not permit advertising of any kind, including that relating to retailers own products, to be affixed to RJR displays (temporary and/or permanent) without prior consent of RJR.
- Retailer agrees to maintain RJR displays and signage (temporary and/or permanent) in an unobstructed manner, in the location agreed upon by an RJR Representative. Changes in location of displays, or effectiveness of display location, will terminate this agreement.
- Should retailer be permanently disqualified under RJR's Retail Partners Merchandising/Presence programs, participation in the Retail Accrual program and all other RJR Promotional programs will be terminated.

Request for Taxpayer Identification Number and Certification

R. J. Reynolds Tobacco Company must backup withhold tax at the rate of 31% from payee if the payee fails to provide R. J. Reynolds Tobacco Company with sufficient correct information to issue a Form 1099 to such payee for any calendar year. With an individual proprietorship, this information is the person's individual name and either his/her social security number (S.S. No.) or the employer identification number (EIN) for the proprietorship. In addition to the payee's individual name, the payee may also provide the business name for the sole proprietorship, provided the individual name is listed before the business name. (Sole proprietors may not furnish only the business name.) With respect to corporations, partnerships, estates, trusts, and similar entities, the necessary information is the entity's name and employer identification number (EIN) as it appears on IRS Form 875 (Assignment of Employer Identification Number).

Type of Organization: Corporation , Sole Proprietor , Partnership, Estate, Trust, etc.

Is this a corporation exempt from backup withholding? Yes No

Please use the appropriate line to fill in the name and Taxpayer Identification Number:

Corporation Name _____

EIN _____

or
Sole Proprietor's Name _____

S.S. No. _____

Sole Proprietor's Business Name _____

EIN _____

or
Partnership, Estate, Trust, etc. _____

EIN _____

Address (Number, street, and apt. or suite number)

Address (City, state, and ZIP code)

Certification:

Under penalties of perjury, I certify that:

1. The number shown above is my correct taxpayer identification number (or I am waiting for a number to be issued to me) and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding

Certification Instructions: You must cross out Item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest on your tax return.

Store Name (Please Print) _____

RJR Account No. _____

Street Address _____

RJR Territory No. _____

City/State _____

Zip Code _____

Call Classification _____

Branch (If Chain) _____

Type	# Stores	Monthly Payment	Total Quarterly Dollar Amount
			\$
			\$
			\$
		TOTAL	

Date Contract Signed _____

Retailer's Signature _____

Title: _____

Contract Effective Date _____

R. J. REYNOLDS TOBACCO COMPANY

By: _____

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FUNCTION	CONTRACT TYPE	PLAN	UNITS	RATE	EFFECTIVE MO/YR
FUNCTION					
A=ADD					
E=END					
D=DELETE					
C=CHANGE					